

Family cars: The other name of convenience

ARFIN KAZI

With time, the number of vehicles getting registered in Bangladesh is on the rise. According to 2019 statistics from BRTA, about 500,000 motor vehicles were registered in 2019 alone and among these, 150,000 were passenger cars, in addition to buses and motorbikes.

Family cars in general are manufactured with convenience in mind, and in Dhaka, the number of sedans and mid-sized SUVs

commute; firstly, the personal space and privacy that is achieved from the cabin, and secondly, exposure to dust, grime and pollution is minimal compared to motorcycles and public transport.

Cars are safe and can be used to commute with less exposure to pollution, however, it occupies a larger footprint on the road, which means a large chunk of time is spent in traffic jams. From a Bangladeshi point of view, people usually complain about how they have to push through thick traffic congestions.

to school with their chauffeur.

Abdul Mannan, a professional chauffeur who, by design of his profession, spends most of his day on the road, thinks that people who are driving on the road should enjoy their convenience responsibly.

"Sometimes it feels like I am on a race track when driving, everybody thinks they are the only ones in a hurry. People should understand that cars allow us to travel comfortably and with air conditioning during the summer," he shared.

Although the second hand car market is becoming saturated, prices are still competitive. Usually, one manages to get a good deal only if they buy a car from direct parties, otherwise they are redirected to second hand car showrooms, through brokers or third-parties.

Zaheen Chowdhury, owner of a car sales showroom in Dhaka, shares how people's buying habits have changed over time.

"If you ask me about how the reconditioned market is moving in general, people are mostly moving towards buying hybrid vehicles and SUVs that are cheaper to buy in general, as hybrid taxes are lower," he shared.

Cars are a great investment for movement. If you want to commute fast while still having a car, hatchbacks are great options to look at. Even though commuting will not be faster than a bike, it won't be slower than a bus. It's a common middle ground which is more popular.

Newer brands of cars are coming through to meet demands, and in my opinion, this is the best time to get your hands behind the wheel. There are many options to choose from – big or small –and at the end of the day, commuting will be more comfortable.

Araf Afzal, a local businessman said, "When we bought our SUV, it was primarily so we could regularly go on family trips during the weekend. Without a large vehicle, coordinating the commute can become quite tedious, as we have a big family. Our SUV also allows us to go on random drives whenever we feel like it, and this was particularly useful during the lockdown when everything was closed and we could not go anywhere."

A car that gets driven daily can be compared to a moving house. And manufacturing companies are now focusing on comfort, drivability and efficiency even more to ensure that more families consider the option of getting a family car.

Realising the potential of Bangladesh automotive industry

FROM PAGE J2

"Progressive leasing policy will be pursued to help locally-made automobiles expand their markets," said the policy.

Abdul Matlub Ahmad, chairman of Nitol-Niloy Group, said the policy would help Bangladesh become an automobile manufacturing nation.

"Customers will benefit as they will get vehicles at affordable prices," he said.

Thanks to the policy, local manufacturers will be able to sell a sedan car within Tk 10 lakh as customers would not have to pay import duties, according to the entrepreneur.

The government will draw up a reconditioned car management guideline to support the firms involved in running reconditioned car businesses and local manufacturers.

An automobile scrapping policy will also be formulated. The government will impose anti-dumping taxes to prevent dumping and unfair trade practices.

A one-time 100 percent duty and tax waiver will be extended for the imports of machinery to set up CKD factories.

The total tax incidence will be 25 to 35 percent for CKD level manufacturers for imports of parts. It will not be more than 10 percent if parts are sourced locally, the policy mentioned.

Factories will be entitled to a 1 percent tax rebate if they spend 1 percent of their annual income on research and development.

The policy will look to transform a majority of the vehicles, particularly passenger cars, buses, trucks and three-wheelers, into electric vehicles (EVs) by 2030.

A 10-year tax holiday will be provided to EV assemblers or manufacturers.

In order to ensure higher production of EVs and keep the emission levels to a minimum level, the government will offer financial incentives, waiver of road tax and reduced registration fee for a certain period.

Challenges of automobile sector in Bangladesh

According to the market players, the market size of passenger cars is still infant.

Mannan Khan, chairman of Bangladesh Auto Industries Ltd (BAIL), said, "In our country, the lower-middle and middle class dream of buying vehicles but they cannot afford it as the prices are excessive."

Industry insiders said the government imposed the duty on import of car in early nineties when only the rich would buy cars for their own use or commercial purposes.

However, after 30 years, the economy of the country has changed a lot –so now the car has become necessary for the urban-middle and higher-middle class.

Due to high tax, the price of a car is very costly in Bangladesh, and for this reason, the market for four wheelers is yet to boom like India and Thailand.

According to car importers, when a car is imported at USD 5,000 from Japan, the retail price becomes around Tk 22 lakh in Bangladesh due to high tax.

The middle-class citizen cannot afford a car of his own due to the high price of car. And the market size will not increase without reducing tax on local manufacture.



are on the rise as prices have become more affordable and monetary funds, such as bank loans, have become more accessible.

Second hand cars meant to push traffic as of now, have been getting more affordable to the point it can be said used, cheap cars are getting better in terms of the Bangladeshi standard where there are cars in any budget, from the bare minimum to high end cars meant to push traffic.

There are reasons as to why family cars are considered a more convenient way to

Even though driving around local buses and rush hour traffic can be a bit cumbersome, but in the end, it is a small price to pay for private commuting.

Additionally, cars provide an easier way to accommodate a larger number of people. Family vehicles can seat up to eight people on average. As a result, families can travel together more easily as opposed to using public transport, bikes, rickshaws, etc. They are also a safer way to send kids to school, as working parents can just send their children



MITSUBISHI
MOTORS

Drive your Ambition

ACCELERATE IN STYLE



XPANDER

XPAND YOUR POSSIBILITIES

From the adjustable 7-seater layout with dual AC to optimal power outlets for everyone and enviable ground clearance, the Mitsubishi Xpander is the epitome of comfort.

Ready for Test Drive.



ECLIPSE CROSS

DESIGNED TO OUTPERFORM

The Mitsubishi Eclipse Cross is an effortless blend of 152 hp turbocharged performance, refreshed interior with power panoramic sunroof, and dynamic SUV versatility, the perfect vehicle to enjoy new adventures.